

BRS Ventures Ltd.

Condensed Interim Financial Statements

(Unaudited – expressed in Canadian Dollars)
For the three and six months ended April 30, 2014 and 2013

**Notice of no Auditor Review of
Interim Financial Statements**

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

BRS Ventures Ltd.

Condensed Interim Statements of Financial Position (Unaudited)

Expressed in Canadian dollars

	Note	April 30, 2014	October 31, 2013
		\$	\$
Assets			
Current			
Cash		89,963	118,965
Prepaid expenses		917	833
		90,880	119,798
Liabilities			
Current			
Accounts payable and accrued liabilities	7	13,854	16,832
Shareholders' Equity			
Share capital	5	988,145	988,145
Contributed surplus		92,150	92,150
Deficit		(1,003,269)	(977,329)
		77,026	102,966
		90,880	119,798

Going Concern – note 2

APPROVED BY THE DIRECTORS

“Luke Norman”

Director

“Robert McMorran”

Director

The accompanying notes are an integral part of these condensed interim financial statements

BRS Ventures Ltd.

Condensed Interim Statements of Loss and Comprehensive Loss

For the three and six months ended April 30

(Unaudited)

Expressed in Canadian dollars

	Note	Three months ended April 30		Six months ended April 30	
		2014	2013	2014	2013
		\$	\$	\$	\$
Expenses					
Accounting and audit	7	9,148	6,385	18,478	14,185
Legal		34	4,296	756	4,545
Listing		4,228	2,928	6,547	7,757
Office and miscellaneous		55	193	15	972
Net loss for the period		(13,465)	(13,802)	(25,940)	(27,459)
Loss per share					
Basic and diluted		(0.00)	(0.00)	(0.00)	(0.00)
Weighted average number of shares outstanding					
Basic and diluted		12,941,659	12,941,659	12,941,659	12,941,659

The accompanying notes are an integral part of these condensed interim financial statements

BRS Ventures Ltd.
Condensed Interim Statements of Cash Flows
For the six months ended April 30
Unaudited

Expressed in Canadian dollars

	2014	2013
	\$	\$
Cash (used in) provided by:		
Operating activities		
Net loss for the period	(25,940)	(15,646)
Items not affecting cash		
Gain on forgiveness of debt	-	(11,813)
	(25,940)	(27,459)
Changes in non-cash working capital items		
Prepaid expenses	(84)	-
GST / HST recoverable	-	(1,585)
Accounts payable and accrued liabilities	(2,978)	15,741
	(29,002)	(13,303)
Decrease in cash	(29,002)	(13,303)
Cash - beginning of period	118,965	166,445
Cash - end of period	89,963	153,142

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BRS Ventures Ltd

Condensed Interim Statements of Changes in Shareholders' Equity

Unaudited

Expressed in Canadian dollars

	Share capital number	Share capital \$	Contributed surplus \$	Deficit \$	Total \$
Balance, October 31, 2012	12,941,659	988,145	92,150	(928,846)	151,449
Net loss	-	-	-	(15,645)	(15,645)
Balance, April 30, 2013	12,941,659	988,145	92,150	(944,491)	135,803
Net loss	-	-	-	(32,838)	(32,838)
Balance, October 31, 2013	12,941,659	988,145	92,150	(977,329)	102,966
Net loss				(25,940)	(25,940)
Balance, April 30, 2014	12,941,659	988,145	92,150	(1,003,269)	77,026

The accompanying notes are an integral part of these condensed interim financial statements

BRS Ventures Ltd.

(A Capital Pool Company)

Notes to the Condensed Interim Financial Statements
Three and six months ended April 30, 2014 and 2013

(Unaudited) Expressed in Canadian Dollars

1. Organization, nature and continuation of operations

BRS Ventures Ltd. (the "Company" or "BRS") was incorporated pursuant to the provisions of the Business Corporations Act (British Columbia) on June 8, 2007 and was classified as a capital pool company ("CPC") as defined by TSX Venture Exchange Policy 2.4 ("Policy 2.4"). Under Policy 2.4, as a CPC, the Company was required to complete a Qualifying Transaction ("QT") as defined under Policy 2.4 by identifying and evaluating potential business acquisitions and to subsequently negotiate acquisition or participation agreements subject to regulatory and shareholder approvals. To date, the Company has not completed a QT. Accordingly it is currently trading on the NEX board of the TSX Venture Exchange (the "Exchange") under the trading symbol "BRV.H".

The address and domicile of the Company's registered office and its principal place of business is suite 880, 580 Hornby Street, Vancouver, British Columbia V6C 3B6.

2. Going Concern

These financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the ordinary course of operations. For the six months ended April 30, 2014, the Company: had incurred operating losses in the amount of \$25,940; had accumulated losses of \$1,003,269; had working capital of \$77,026; and had not completed a Qualifying Transaction. In the event the Company is successful in securing a Qualifying Transaction, there can be no assurance that any required additional financing can be secured. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

3. Basis of preparation

These condensed interim financial statements for the three and six months ended April 30, 2014 have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the Company's October 31, 2013 annual financial statements which have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS"). The condensed interim financial statements have been prepared under the historical cost convention.

These financial statements were approved by the board of directors for use on June 23, 2014.

The condensed interim financial statements have been prepared using accounting policies consistent with those used in the Company's October 31, 2013 annual audited financial statements.

a) New standards and amendments effective for the first time from November 1, 2013

The following revised standards and amendments became effective on November 1, 2013. The new and amended standards did not have a significant impact on the financial statements. The following is a brief summary of the principal new standards:

IFRS 10, Consolidated Financial Statements, requires an entity to consolidate an investee when it has power over the investee, is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces *SIC-12, Consolidation - Special Purpose Entities* and parts of *IAS 27, Consolidated and Separate Financial Statements*.

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IFRS 11, Joint Arrangements, requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venturer will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 supersedes IAS 31, *Interests in Joint Ventures*, and SIC-13, *Jointly Controlled Entities - Non-monetary Contributions by Venturers*.

IFRS 12, Disclosure of Interests in Other Entities, establishes disclosure requirements for interests in other entities, such as subsidiaries, joint arrangements, associates, and unconsolidated structured entities. The standard carries forward existing disclosures and also introduces significant additional disclosures that address the nature of, and risks associated with, an entity's interests in other entities.

IFRS 13, Fair Value Measurement, is a comprehensive standard for fair value measurement and disclosure for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and does not always reflect a clear measurement basis or consistent disclosures.

b) Accounting standards issued but not yet effective

IFRS 9 – Financial Instruments

The IASB has undertaken a three-phase project to replace IAS 39, *Financial Instruments: Recognition and Measurement*, with *IFRS 9, Financial Instruments*. In November 2009, the IASB issued the first phase of IFRS 9, which details the classification and measurement requirements for financial assets. Requirements for financial liabilities were added to the standard in October 2010. The new standard replaces the current multiple classification and measurement models for financial assets and liabilities with a single model that has only two classification categories: amortized cost and fair value. In November 2013, the IASB issued the third phase of IFRS 9, which details the new general hedge accounting model. Hedge accounting remains optional and the new model is intended to allow companies to better reflect risk management activities in the financial statements and provide more opportunities to apply hedge accounting. The new standard removes the January 1, 2015 effective date of IFRS 9. The new mandatory effective date will be determined once the classification and measurement and impairment phases of IFRS 9 are finalized; however, in its February 2014 meeting, the IASB tentatively decided that IFRS 9 would be mandatorily effective for annual periods beginning on or after January 1, 2018. The full impact of the standard on the Company's financial statements will not be known until the project is complete.

4. Critical accounting estimates and judgments

There have been no material revisions to the nature of judgments and amount of changes in estimates of amounts reported in the Company's October 31, 2013 annual financial statements.

5. Share capital

There have been no changes in either of the Company's authorized or fully paid and issued capital since October 31, 2013.

Pursuant to the regulatory requirements as at January 31, 2014 and October 31, 2013, 724,997 issued and outstanding common shares were held in escrow. The shares will be released as to 10% on the completion of the Company's Qualifying Transaction and the remainder will be released in 6 equal tranches of 15% each every 6 months thereafter.

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Notes to the Condensed Interim Financial Statements
Three and six months ended April 30, 2014 and 2013

(Unaudited) Expressed in Canadian Dollars

6. GST/HST payments not recovered

During the year ended October 31, 2013 Canada Revenue Agency ("CRA") advised the Company that it is not eligible to recover GST Input Tax Credits until such time as it is engaged to complete a QT. Accordingly, during the three and six months ended April 30, 2014 the Company has expensed \$858 and \$1,108 of GST/HST paid, but not recoverable, to the statement of loss.

7. Key management compensation and related parties

The retention of certain key management personnel is not subject to any management agreements.

Some key management personnel, or their related parties, may hold positions in other entities whose services are retained by the Company. In such instances, these appointments result in the Company's key management personnel representing those related parties in which they hold control or significant influence over the financial or operating policies of these entities.

Key management includes officers and directors (executive and non-executive) of the Company.

	Three months ended April 30		Six months ended April 30	
	2014	2013	2014	2013
	\$	\$	\$	\$
Accounting and audit	1,625	325	3,086	1,135

As at April 30, 2014, directors, officers or their related companies were owed \$6,959 (October 31, 2013 - \$602) in respect of services. The amounts due to related parties are unsecured, non-interest-bearing and due on demand.

There was no compensation paid or payable to key management during the three and six months ended April 30, 2014 and 2013.